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BEFORE THE ARIZONA CORPORATION COMMISSION
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COMMISSIONERS

KRISTIN K. MAYES, Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

2010 NOV 15 P 4:17

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF
GLOBAL WATER – PALO VERDE UTILITIES
COMPANY FOR THE ESTABLISHMENT OF JUST AND
REASONABLE RATES AND CHARGES FOR UTILITY
SERVICE DESIGNED TO REALIZE A REASONABLE
RATE OF RETURN ON THE FAIR VALUE OF ITS
PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. SW-20445A-09-0077

IN THE MATTER OF THE APPLICATION OF
VALENCIA WATER COMPANY – GREATER
BUCKEYE DIVISION FOR THE ESTABLISHMENT OF
JUST AND REASONABLE RATES AND CHARGES FOR
UTILITY SERVICE DESIGNED TO REALIZE A
REASONABLE RATE OF RETURN ON THE FAIR
VALUE OF ITS PROPERTY THROUGHOUT THE
STATE OF ARIZONA

DOCKET NO. W-02451A-09-0078

IN THE MATTER OF THE APPLICATION OF
WILLOW VALLEY WATER CO. FOR THE
ESTABLISHMENT OF JUST AND REASONABLE
RATES AND CHARGES FOR UTILITY SERVICE
DESIGNED TO REALIZE A REASONABLE RATE OF
RETURN ON THE FAIR VALUE OF ITS PROPERTY
THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-01732A-09-0079

IN THE MATTER OF THE APPLICATION OF
GLOBAL WATER – SANTA CRUZ WATER COMPANY
FOR THE ESTABLISHMENT OF JUST AND
REASONABLE RATES AND CHARGES FOR UTILITY
SERVICE DESIGNED TO REALIZE A REASONABLE
RATE OF RETURN ON THE FAIR VALUE OF ITS
PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-20446A-09-0080

IN THE MATTER OF THE APPLICATION OF
WATER UTILITY OF GREATER TONOPAH FOR
THE ESTABLISHMENT OF JUST AND REASONABLE
RATES AND CHARGES FOR UTILITY SERVICE
DESIGNED TO REALIZE A REASONABLE RATE OF
RETURN ON THE FAIR VALUE OF ITS PROPERTY
THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-02450A-09-0081

**Notice of Filing Compliance
(Decision No. 71878)**

Arizona Corporation Commission

DOCKETED

NOV 15 2010

DOCKETED BY

1 IN THE MATTER OF THE APPLICATION OF
2 VALENCIA WATER COMPANY – TOWN DIVISION
3 FOR THE ESTABLISHMENT OF JUST AND
4 REASONABLE RATES AND CHARGES FOR UTILITY
5 SERVICE DESIGNED TO REALIZE A REASONABLE
6 RATE OF RETURN ON THE FAIR VALUE OF ITS
7 PROPERTY THROUGHOUT THE STATE OF ARIZONA

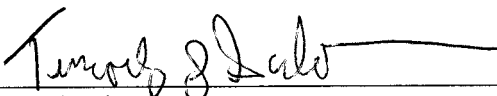
DOCKET NO. W-01212A-09-0082

**Notice of Filing Compliance
(Decision No. 71878)**

8 Decision No. 71878 (dated September 15, 2010) requires that Global Water – Santa Cruz
9 Water Company, Valencia Water Company – Town Division, Valencia Water Company –
10 Greater Buckeye Division, Water Utility of Greater Tonopah and Willow Valley Water Co.
11 (collectively, the “Global Utilities”) submit within 60 days of the Decision, a copy of their
12 Demand Side Management Program Tariff and Best Management Practices for Staff’s review and
13 Commission consideration. Accordingly, the Global Utilities submit their Demand Side
14 Management Program Tariff and Best Management Practices.

15 RESPECTFULLY SUBMITTED this 15th day of November 2010.

16 ROSHKA DEWULF & PATTEN, PLC

17 By 
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22 Phoenix, Arizona 85004

Attorneys for Global Utilities

23 Original +13 copies of the foregoing
24 filed this 15th day of November 2010, with:

25 Docket Control
26 Arizona Corporation Commission
27 1200 West Washington
Phoenix, AZ 85007

1 Copies of the foregoing hand-delivered/mailed
2 this 15th day of November 2010, to:

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8 Phoenix, AZ 85007

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11 Arizona Corporation Commission
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13 Phoenix, AZ 85007

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16 Arizona Corporation Commission
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25 By 

Demand Side Management Program Tariff
And
Best Management Practices

Demand Side Management Program Tariff

Applicable to:

- Global Water – Palo Verde Utilities Company ("PVUC")
- Global Water – Santa Cruz Water Company
- Valencia Water Company – Town Division
- Valencia Water Company – Greater Buckeye Division
- Willow Valley Water Company
- Water Utility of Greater Tonopah

Purpose:

The Demand Side Management Program ("DSMP") is designed to facilitate water conservation by offering a number of educational tools, data/information systems, and sensors/infrastructure that will provide consumers with actionable information to reduce their water consumption. In addition, the DSMP provides for on-site audits and assistance in developing water saving practices.

The DSMP is designed to both work in coordination with and support Global's Rebate Threshold Rate structure and allow for consumers to achieve meaningful conservation through the development of sophisticated irrigation management systems, supported by public outreach and education programs.

Funding:

Funding for the DSMP is calculated as:

$$\text{Per unit DSMP Funding} = \frac{\text{Recycled Water Revenue (1 Jan thru 31 Dec)}}{\text{PVUC Active Connections (31 Dec)}}$$

$$\text{Total Funding} = (\text{Total Active Connections}) \times (\text{Per Unit DSMP Funding})$$

Funding will be based on PVUC active connections obtained at 31 December of each year.

The Commission will be notified of funding amounts by 1 March of each year.

DSMP is fully described in document GWR-CP-EX-044 and is included as an attachment to this tariff.

Effective Date: 1 January 2011
Decision No: 71878
Docket No: W-20445A-09-0077 et al.
ACC Approval: _____

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GLOBAL WATER RESOURCES (GWR)

CODE OF PRACTICE

GWR-CP-EX-044

DEMAND SIDE MANAGEMENT PROGRAM

PURPOSE

The Demand Side Management Program ("DSMP") is designed to facilitate water conservation by offering a number of educational tools, data/information systems, and sensors/infrastructure that will provide consumers with actionable information to reduce their water consumption. In addition, the DSMP provides for on-site audits and assistance in developing water saving practices.

The DSMP is designed to both work in coordination with and support Global's Rebate Threshold Rate structure and allow for consumers to achieve meaningful conservation through the development of sophisticated irrigation management systems, supported by public outreach and education programs. The Automated Meter Infrastructure (AMI) technologies already deployed in Global's service areas provide customers with valuable information on their consumption. Combining consumption data with elements such as evapotranspiration data, and delivering customized messages to consumers will allow for an increased understanding of water demand.

THE PROGRAM

The DSMP is funded through a per connection allocation of revenue detailed below.

Global Water will assess the program annually and determine the most efficient activities to pursue. Initially, the DSMP will focus on data and information required to effect greater control in the use of water for irrigation. As the program matures, additional water conservation elements may be funded and implemented. The intent is to focus the resources on those elements that achieve the greatest effect in encouraging conservation.

The DSMP will supplement Global Water's current conservation campaign which includes the Arizona Department of Water Resources ("ADWR") mandated Modified Non Per Capita Conservation Program ("MNPCCP") and Global's Total Water Management philosophy.

The first phase of the DSMP will include:

- Installation of a weather station and soil moisture sensor to allow for irrigation demand numbers to be provided to HOAs.
- Providing \$2,500 to Project WET¹ or equivalent public education organization.
- Providing assistance in implementation of BMPs.

¹ See: <http://ag.arizona.edu/arizonawet/>

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- Providing notices to customers on water conservation efforts and additional messaging on conservation education in the annual water quality reports.
- Developing the audit practices and processes for irrigation users and large consumers.

FUNDING

There is no consumer surcharge associated with the DSMP. The DSMP is administered by the Environmental Program Department in Global. The amount of funding is determined by the following:

1. In areas where Global Water operates the recycled water system, the DSMP funding for the current year is determined by calculating the previous year's recycled water revenue and applying 15% of those revenues to the DSMP.
2. In areas where Global Water does not control the recycled water systems, the DSMP will be funded by determining the "per-connection equivalent" from (1) above, and multiplying the number of "active customers" in the service area by the "per-connection equivalent". In this case, the DSMP funding is capped by the revenue received from the highest tier of the Rebate Threshold Rate structure.

Decision 71878 established the recycled water rate at \$0.57 per 1000 gallons for Global Water – Palo Verde Utilities Company.

Funding Example

Each year, 15% of the revenue generated from the sale of the previous year's recycled water sales will be allocated to the DSMP. For example, the funding amount for the period 1 January 2011 to 31 December 2011 is based on the 2010 calendar year recycled water revenue as shown below:

Period	Connections	Funding Determination Year	Volume of Recycled Water Sold In Funding Year	Cost per 1000 gallons in Funding Year	Recycled Water Revenue In Funding Year	Annual DSMP Funding for Current Year	\$/Connection/Year
1-Jan-10 to 31-Dec-10	17200	2010	447,627,429	\$ 0.57	\$ 255,148	\$ 38,272	\$ 2.23

In this example, the total DSMP funding for the year \$54,181:

Utility	Connections	\$/Connection	Total DSMP Funds
Santa Cruz/Palo Verde	17,200	\$2.23	\$38,272
Valencia - Town Division	4,500	\$2.23	\$10,013
Valencia - Greater Buckeye Division	650	\$2.23	\$1,446
Greater Tonopah	300	\$2.23	\$668
Willow Valley	1700	\$2.23	\$3,783
TOTAL			\$54,181

Note that the above is an example only using estimates for 2010 usage, actual numbers will be determined by 1 March of each year.

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USE OF FUNDS

The deployment of the DSMP funds is based on Global's analysis of current water consumption trends and an assessment of where the expenditures can affect the greatest reduction in demand. Global will make informational filings with the ACC each year explaining its intended focus and the results achieved to date.

High-volume consumer involvement will be sought to determine the most effective DSMP component to fund in any given year. The final decision for funding program elements rests with Global Utilities, subject to ACC review and input.

Global may elect to concentrate funding from several utilities to centralize systems to maximize the potential water conservation.

REPORTING

Reports will be submitted annually to the ACC in the format provided in Appendix A.

Key metrics for monitoring the effectiveness of the program are as follows:

- Total Recycled Water put to Beneficial Reuse
- HOA/Irrigation Water Consumption
- Gallons of Irrigation Water/Irrigated Acre
- DSMP investments
- ADWR MNPCCP Conservation Efforts Report to include reports on additional BMP's as required by Decision #71878

ARIZONA DEPARTMENT OF WATER RESOURCES MODIFIED NON PER CAPITA CONSERVATION PROGRAM ("ADWR MNPCCP")

The Global Water Utilities will augment the requirements of the ADWR MNPCCP in accordance with Decision #71878 as follows:

- Water systems with customer counts exceeding 5,000 shall incorporate a minimum of 10 Best Management Practices;
- Water systems with customer counts less than 5,000 shall incorporate a minimum of 3 Best Management Practices.

A list and explanation of the selected BMP's is included as Appendix B. The list of BMP's shall be considered a living document subject to routine evaluation as determined by Global Water.

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Appendix A

Demand Side Management Program Annual Report²

This form is to provide the Arizona Corporation Commission information on the Demand Side Management Program for the Global Water Utilities.

Reporting Period:

From: (Day/Month/Year)	To: (Day/Month/Year)

The following table represents the year to date metrics.

	2011	2012	2013	2014	2015
Total RW Sold					
Total Revenue					
Connections					
Highest Tier Revenue					
DSMP Funds					

The following table reflects the total funds invested for the DSMP to date and per Utility.

Utility:	Connections:	2011	2012	2013	2014	2015
PVUC/SCWC						
VWC - TD						
VWC - GB						
WUGT						
WUNS						
WVWC						
Total Funds						

The following table reflects Global's investments in the DSMP for this reporting period.

DSMP Investments made for this Reporting Period:			
Utility:	Items:	Costs:	Description:
PVUC/SCWC			
VWC - TD			
VWC - GB			
WUGT			
WUNS			
WVWC			

² Editorial changes to this form to improve clarity shall be undertaken by Global Water.

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The following information reflects the total amount of irrigation acres per Utility and the total amount of irrigation gallons.

Utility:	Total Irrigation Acres	Total Irrigation Gallons	Irrigation gallons per acre
PVUC/SCWC			
VWC - TD			
VWC - GB			
WUGT			
WUNS			
WVWC			

*Some utilities currently do not provide water service to irrigation accounts and therefore will be reported as non-applicable.

Signature:	Date:

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Appendix B

Best Management Practices

BMP	Description
1.1	Local and/or regional messaging program
1.2	Special events/programs and community presentations
2.2	Youth conservation education program
3.6	Customer high water use inquiry resolution
4.1	Leak detection program
4.2	Meter repair and/or replacement program
4.3	Comprehensive water system audit program
7.1	Implement an emerging technology
7.6	Develop industry partnerships to save water
7.7	Support the development of new technologies and products

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REVISIONS

Date	Revision Number	Revisions	OPI
9 Nov 2010	ORIGINAL (000)		SA

Effective Date: 1 January 2011
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